



ARIZONA STATE SENATE
Fifty-Second Legislature, Second Regular Session

FACT SHEET FOR S.B. 1529
budget procedures; 2016-2017

Purpose

Makes statutory and session law changes related to budget procedures necessary to implement the FY 2017 state budget.

Background

The Arizona Constitution prohibits substantive law from being included in the general appropriations, capital outlay appropriations and supplemental appropriations bills. However, it is often necessary to make statutory and session law changes to effectuate the budget. Thus, separate bills called budget reconciliation bills (BRBs) are introduced to enact these provisions. Because BRBs contain substantive law changes, the Arizona Constitution provides that they become effective on the general effective date, unless an emergency clause is enacted.

Provisions

Arizona Department of Administration

1. Requires the Director of the Arizona Department of Administration (Director), on or before November 1 of each year, to submit a report to the Director of the Joint Legislative Budget Committee (JLBC) listing the written approvals granted by the Director for administrative adjustment of orders for goods or services that were:
 - a) made in one fiscal year; and
 - b) received on or after August 31 of the next fiscal year.
2. Requires the Arizona Department of Administration, if it disposes of the property located on East Doubletree Ranch Road in Scottsdale, or of any right, title or other interest in the property, to report the terms and conditions of the transaction, including sale price (if any), to JLBC within 30 days after the transaction occurs.
3. Requires a budget unit, on or before the 30th day following the last day of each calendar quarter, to submit a report from an independent third party to the Information Technology Authorization Committee (ITAC) and JLBC regarding the progress of each ongoing information technology project whose total costs exceed \$5,000,000.

Miscellaneous

4. Requires Legislative Council to pay legal fees incurred jointly by the House of Representatives and the Senate upon authorization by the Speaker of the House of Representatives and the President of the Senate.
5. Requires that \$27,227,600 in Lottery ticket sales commissions earned during the second half of FY 2015 be paid from the State Lottery Fund's FY 2015 ending balance.
6. Continues the requirement that unrestricted federal funds received by the state from July 1, 2016 through June 30, 2017, be deposited into the state General Fund for payment of essential government services.
7. Continues the FY 2017 Capital Outlay Stabilization Fund rental rates for state-owned buildings at \$13.08 per square foot for office space and \$4.74 per square foot for storage space.
8. Permits annual appropriation for all budget units for FY 2019.
9. Stipulates that the executive budget, submitted no more than five days after the regular session of the Legislature convenes in 2017, only address the next fiscal year.
10. Directs the head of each budget unit to submit a budget estimate in calendar year 2016 that only addresses the next fiscal year.
11. Removes Budget Stabilization Fund requirements for deposits and withdrawals in FY 2017 through FY 2019.
12. Makes technical and conforming changes.
13. Becomes effective on the general effective date.

Prepare by Senate Research

April 27, 2016

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